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Learning Leaders Require Business Acumen: Instructional Design Professionals at the Corporate Leadership Table

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Abstract

Noting the increase in shifting markets, technological changes, and unstable world politics, Clark and Gottfredson (2008: 4) make a compelling argument for individual and corporate learning: “to continuously acquire new knowledge and skills assets during or ahead of changes in the market.” Their article contends that learning agility is the key to organizational success in the turbulent business environment of the twenty-first century. Within their argument, the need to understand business trends, marketing and global business practices is a leitmotif in the call for learning at every level of an organization. They predict that learning will expand from the purview of Chief Learning Officers (CLOs) and Human Resource departments to a responsibility shared with managers and front-line employees.

This article will review the Clark and Gottfredson (2008) characterization of learning agility in business organizations from 1957 to 2004. The paper will then address the call for enhanced business acumen in learning leaders' skillsets and discuss ways to enhance the education of instructional designers to meet the expectations for today's learning officers. Currently instructional design (ID) programs include performance improvement training but appear to lack needed business content. Citing examples of learning agility within university settings, the article will explore factors universities face in identifying and responding to the need for business training for instructional designers. The article will assert that there is a compelling need for both students and universities to master the skills necessary to respond to shifting leadership challenges.

A Short History of Learning in Business Contexts

Clark and Gottfredson (2008) describe corporate learning agility as constant awareness and adaptation to the opportunities and threats inherent in business trends and dislocations. They note that learning responsiveness is shaped by a leader's assumptions about the effects of market forces on employees' learning habits. Leaders choose the formal and informal learning experiences for their organizations. Kim (2004: 29) suggests that "We can think of organizational learning as a metaphor derived from our understanding of individual learning. In fact, organizations ultimately learn via their individual members." Because learning leaders create not only the content, but the structures, technology capabilities, support systems and timing that can enhance, hinder or inhibit learning, business awareness is a key component in a learning leader's skill set (Clark & Gottfredson, 2008).

Clark and Gottfredson (2008) describe the increasingly important role of corporate learning agility in response to market demands between 1957 and 2004. Between 1957 and 1981 (Learning Agility 1.0) business markets were stable. Organizations began to offer periodic face-to-face instructor-led employee training for qualification or licensing. Corporate leadership was top-down. From 1981 to 2004 (Learning Agility 2.0) markets became unstable. Personnel were expected to engage in ongoing qualification learning. Learning was instructor-led, usually synchronous with occasional asynchronous use of media. Formal corporate training was ongoing, multi-channel and event based. Corporate leadership became more democratic and egalitarian (Clark & Gottfredson, 2008). Clark and Gottfredson (2008: 24) describe the period from 2004 to 2008 as Learning Agility 3.0, a time when markets experienced radical change. For agile companies, learning became "continuous, adaptive and collaborative." Just-in-time, asynchronous, embedded and mobile learning technology emerged. Organizations expected individualized learning support for employees at moments of need. Leadership became transparent, evolving and at times, unconventional.

Knowledge and Learning Leadership

Knowledge is an often undefined requirement for learning leadership cited in trait, situational, contingency, transactional, transformational and servant leadership approaches (Northouse, 2007). These theoretical constructs assume that learning leaders will have an appropriate body of knowledge, especially knowledge foundational to their fields. The intellectual stimulation that helps a team to develop knowledge and enhance abilities is an important aspect of transformational leadership (Bass & Riggio, 2010). Advocates of the skills approach leadership theory, as it has emerged in the last twenty years, repeatedly use the phrase "leadership and knowledge" (Connelly, Gilbert, Zaccaro, Threlfall, Marks, & Mumford, 2000; Mumford, 2011; Mumford, Friedrich, Caughron, & Byrne, 2007; Mumford, Zaccaro, Connelly, & Marks, 2000). Northouse (2007) notes that the ability to analyze environmental trends is an important leadership attribute. Connelly *et al.* (2000) list problem-solving skills, social skills and knowledge as the key leadership factors shaping performance outcomes. Mumford, in his 2011 farewell as the senior editor of *The Leadership Quarterly*, comments that wisdom accompanied by reasoning ability and knowledge are important leadership qualities to explore and delineate.

Knowledge and the Learning Leader

erson, Nemanich, Waldman, Galvin, and Keller (2006) note that leadership is influencing and teaching others the why and the how of achieving corporate goals. They observe that the necessity for continual renewal compels organizations to learn new strategies and exploit existing ones. According to Clark and Gottfredson (2008) those who manage learning and organizational training delivery are ideally situated to assume leadership roles in this process. “The ability to grow, change or innovate above the speed of one’s own market” speaks to the aspiring learning leader (Clark & Gottfredson, 2008: 4). However, Clark and Gottfredson question whether those who aspire to the Chief Learning Officer role are sufficiently prepared to understand the global market movements and financial trends required of learning leaders:

The intensifying need for learning agility coupled with advancements in that direction provide an unprecedented opportunity for learning leaders to sit at the corporate leadership table and contribute greater strategic value than ever before. The question is, can they? Many want to, but they simply don’t possess the business acumen and strategic understanding of their organizations and markets that are required to carry their own water at the senior leadership level (Clark & Gottfredson, 2008: 27).

Without the ability to understand the market forces that should shape training content, chief learning officers are one-eyed horses, dependent on guidance from others for an accurate response to organizational learning needs. This is scarcely the type of leadership called for at the corporate leadership table.

The Call for Business Acumen

As early as 1995, Slater and Narver argued that market orientation is a necessary attribute in a learning organization. Ray Stata, Chairman of Analogue Devices, declared that organizational changes derive from understanding change in the external environment and making appropriate adaptations in corporate beliefs and behaviors (1989). An article by Davenport, David, and Beers (1998) notes that having a sense of the customer and the quality of service is a basic requirement for a learning leader. In 2012, Kouzes and Posner call for leaders to be alert to changes in economics, demographics, technology and politics. Referring to the building of sustainability-learning communities, Olson and Ceisel (2006) report emerging research that showed that human performance training—when properly focused on desired business results—produced the greatest business impacts. Pat Crull, Vice-President and Chief Learning Officer at Time Warner Cable, points out that “Successful CLO’s understand the business imperatives that drive performance and align learning to support our companies’ strategic objectives” (Elkeles & Phillips, 2007: 284). The most successful companies, in a study by O’Toole (2008: 56), “aligned around agility.”

The Learning Gap

Slater and Narver (1995) indicate that there is a growing opportunity for learning leaders to become strategic leaders in the rapidly changing global corporate world. Instructional designers, historically learning leaders and performance improvement experts, are well positioned to move into learning leader positions. However, there appears to be a gap in the education of instructional designers who aspire to the role of Chief Learning Officer or like positions. While there is a strong emphasis on business fundamentals in business school programs such as Organization and

Management, Human Resource Management, Organizational Development or Business Leadership, the fundamentals of establishing and leading strategic learning initiatives are not always addressed in these business programs, leaving programs in instructional design and performance improvement the opportunity to address the increasingly important role of Chief Learning Officer. The urgent need for corporate learning agility presents a pressing opportunity for marrying strategic learning initiatives and business acumen in university instructional design programs.

In the instructional design and performance improvement training standards there are few references to business skills (Academy of Human Resource Development, 1999; IBSTPI, 2012; Yarbrough, Shulha, Hopson & Caruthers, 2011). In addition, the course offerings for well-known instructional design programs such as Florida State University, Brigham Young University, Capella University, The University of Southern California and Indiana University scarcely mention courses necessary to understand balance sheets, market trends, innovation and global business practices. If published course descriptions by these universities are comprehensive, the typical instructional design curriculum does not appear to offer business skills in core courses at all. Moreover, a review of three leadership books used for graduate level instructional design classes (Gallos, 2008; Hickman, 2010; Kouzes & Posner, 2012) also reveal a lack of reference to these topics, although Gallos (2008) and Kouzes and Posner (2012) do touch briefly on market performance.

Instructional Design Programs and Business Acumen

This article will argue that instructional design doctoral students should seek business coursework that will prepare them to become learning leaders, including courses in basic accounting, understanding balance sheets and corporate budgeting, market trends and marketing, global business practices and innovation. In their 2006 book for corporate trainers, Gargiulo, Pangarkar, Kirkwood, and Bunzel (2006: xiii) included chapters on three of these necessary skills for learning leaders: essential principles of business financial management, understanding of budgets and forecasts, and facility with evaluation and return on investment. Successful entrepreneur and Harvard Business School graduate, Ram Charan, argues that to be prepared for the organizational executive suite, it is vital to be conversant in business language, understand fundamental business principles and possess business acumen (2001). Elkeles and Phillips (2007: 2) note that “The role of the CLO is to drive value, focusing on issues such as business alignment, managing resources, innovation, customer service and ROI. The challenge is to show value to the organization in terms that business leaders and other stakeholders can understand and appreciate.”

The Need for Business Acumen in University Settings

Many instructional designers will work with or for a corporation at some point in their careers and their need for business acumen is clearly expressed in the aforementioned literature. Instructional design students focused on working within educational institutions may consider business courses unnecessary even though tight finances are beginning to force colleges and universities to consider market trends and productivity in their instructional design decisions (Flanagan, 2012; Molenda, 2009; Ward, 2013).

In 2009 Molenda argued that those involved in the instructional technology field (Professors of ID, program leaders, service personnel in teaching learning centers) should understand the financial pressures on universities and align themselves with academic administrators who are trying to improve learning productivity at educational institutions. He notes that instructional designers have not had a historically secure role in higher education, especially if they are not faculty. Given current cost-cutting measures in higher education, it is important, Molenda (2009) contends, that ID professionals understand market pressures on universities and demonstrate that their field is essential to their institutions.

Molenda (2009: 84) asserts that the ID profession is well positioned to improve profitability through increased “efficiency, effectiveness, and productivity.” He contends that educational institutions could offer more instruction with the same resources through the use of technology (Molenda, 2009). He observes that the instructional design field has empirical verification of its ability to design courses that attain learning goals (Merrill, 2008), and that instructional design research offers a plethora of measures for increasing educational productivity including those that incorporate return-on-investment (ROI) (Phillips & Phillips, 2011).

A recent article by David Ward describes a university program that is dealing with the current business challenges in funding higher education by embracing innovation and information technology (2013: 20). With IT professionals as important partners, the university initiated comprehensive, campus-wide educational innovation programs (<http://edinnovation.wisc.edu/>). Ward (2013: 22) comments that: “The academic culture can be hard on non-faculty players and does not fully recognize the richness of the potentiality of academic technologists and the wealth of competencies, skills and knowledge that academic technology and IT professions bring to higher education.”

The Need for Business Foundation Courses

Ward (2013) argues that universities must meet the needs of students requiring different and more specialized areas of knowledge, a situation that often requires interdisciplinary curricula and better communication and articulation among courses. Based on the arguments in Clark and Gottfredson (2008) and the numerous references to business acumen in learning organization articles from 1995 to 2012, it would appear that business acumen is a much-needed skill for learning leaders that should be addressed in their university coursework. Recommended elective courses in business programs provide one option for the forward-looking student; however, finances and time pressure to complete educational requirements may militate against student willingness to take extra courses. The best alternative for students would be for universities to integrate the four needed areas into current courses that the instructional design programs offer.

Difficulties in Interdisciplinary Collaboration at Colleges and Universities

Due to departmental specialization in higher education, it is, perhaps, reasonable to assume that education departments do not have faculty who can teach a business course or integrate business fundamentals into an instructional design course. A brief search suggests that finding appropriate textbooks that integrate business acumen into performance improvement/instructional design courses is also problematic. Historic impediments to interdisciplinary course development exist in

higher educational institutions (Flanagan, 2012), often due to pressures on faculty to prove themselves in their own field during their pre-tenure endeavors. There are also accreditation hurdles for interdisciplinary courses (CHEA, 2012).

Supporting Innovation and Interdisciplinary Learning

Some universities are reporting more flexibility in response to student needs and changing funding. Science, math, innovation and entrepreneurship are growth areas being explored. The University of Wisconsin–Madison identified multiple opportunities to change the organization of knowledge and disciplines as well as ways to balance competencies in creative and technical areas. University leaders discovered a plethora of small innovative initiatives but found it hard to scale them because of ongoing curricular and faculty commitments. In support of innovation, the university formed campus-wide governance groups to address the underlying challenges in university culture and communication (Ward, 2013).

A report by the Association to Advance Collegiate Schools of Business on business schools and innovation (AACSB International Task Force, 2010: 3) asserts that “a business school’s mission should include fostering innovation.” This report describes a program by faculty from the engineering and nursing schools at Florida Gulf Coast University who created a cross-disciplinary experience for high school students interested in health careers: Students visit Guatemala to design assistive devices for handicapped children (Zidek, Kauanui, & Haytko, 2012). The cross-disciplinary collaboration that grew out of the AACSB Task Force provides students with hands-on experience in business innovation and, in the process of introducing students to business, math and science, faculty members develop cross-disciplinary collaboration proficiencies.

The University of Michigan recently launched a grant program that supports student interdisciplinary collaboration in creating innovative projects that use digital media (Leeder, Lonn, & Knox, 2013). The program, supported by faculty and housed in the university’s design lab, is reported to have shown statistically significant results in academic and professional career benefits for student participants. While this program does not include interdisciplinary faculty or department components, it gives students the benefit of working with learners in a variety of disciplines. Initiatives such as these show learning agility is developing within university systems. Instructional design and performance improvement students who want to become learning leaders need to lobby for and seek out innovative cross-disciplinary programs with business content.

The Call for Educational Creativity

Drawing on discussions with musician Robert Fritz, Peter Senge observes that problem solving and creating are two different processes: “In problem-solving we seek to make something we do not like go away. In creating, we seek to make what we truly care about exist” (2004: 4). Senge further notes that there is always a gap between vision and reality. To prepare learning leaders, colleges and universities educating instructional designers need to acknowledge the gap between university practice and real world demands and bring to it a vision for the future (Flanagan, 2012).

Well-respected instructional design experts like Rothwell and Kazanas (2008) and Silber and Foshay (2009) cite examples of change management strategies based on the very successful

process of needs assessment that guides instructional designers. Clark and Gottfredson (2008) might place many of these initiatives between their Learning 1.0 and Learning 2.0 (from instructor-led face-to-face and synchronous training to asynchronous mediated e-learning alternatives). Today's instructional designers build on that robust heritage of needs assessments but face a compelling demand for rapid learning response to markets and trends (Clark & Gottfredson, 2008). Creative solutions are called for and instructional designers need to be better prepared to meet the demands of the call.

Organizational learning is a valuable commodity, especially in the university setting. Stata (1989) noted over twenty years ago that the rate of learning could well be the most important competitive advantage. The degree to which colleges and universities increase their own rate of learning and apply cutting edge research to prepare their students will not only determine the competitive advantage of their students, but will also influence the value of those colleges and universities (Ward, 2013: 22). For higher education, learning agility will not only require changes in leadership orientation and behavior at the highest levels, (Schlosser & McNaughton, 2007) but also adaptations in tenure and advancement qualifications. Finances, flexibility and collaboration will also be required to achieve the necessary agility (Bass & Riggio, 2010; Borer *et al.*, 2013). The same market pressures described in Clark and Gottfredson (2008) provide motivation for greater learning agility, even in higher education.

Conclusion

This article has reviewed Clark and Gottfredson's history of learning agility with its emphasis on the importance of business acumen as a component of learning leadership (2008). Leadership theory assumes that leaders will have sound foundational knowledge in their field (Mumford *et al.*, 2000; Northouse, 2007) and corporate learning leaders are well positioned to contribute strategic value at the leadership table if they understand the how and why of achieving corporate goals (Berson *et al.*, 2006; Clark & Gottfredson, 2008). Today's successful corporations understand opportunity as a time-bound choice. Because learning leaders must monitor, understand and translate a wide range of market influences into significant learning experiences for their organizations (Slater & Narver, 1995), instructional design students who aspire to a corporate or university leadership role are advised to include the understanding of market trends, global business practices and innovation in their portfolio of skills. To ensure that their graduates are prepared to meet the demands of the profession, universities with instructional design programs are urged to offer coursework in business, marketing and innovation, knowledge identified as essential in corporate learning leadership literature (Charan, 2001; Elkeles & Philips, 2007). Marrying business acumen with instructional design's rich portfolio of empirically verified learning expertise will position instructional learning leaders to respond to market forces with speed, creativity and effectiveness.

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